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Subject: POLITICO's Morning Energy: EPA IG report on tap — Gowdy to Pruitt: Become a monk — New GOP-backed ads target Blankenship

By Kelsey Tamborrino | 04/16/2018 10:00 AM EDT

With help from Alex Guillén and Anthony Adragna

COMING TODAY - IG REPORT ON PRUITT HIRING: Amid new and ongoing investigations into EPA Administrator Scott Pruitt, the agency's inspector general will shed some new light on his unorthodox hiring practices. The internal watchdog is releasing an interim report today on Pruitt's decision to hire several political aides using special authority he has under the Safe Drinking Water Act - part of a probe that began before recent reports that the administrator had relied on that same provision to get big raises for two top aides despite objections from the White House. (Pruitt has denied those reports and said the raises have been reversed.)

More than a dozen political appointees at EPA have been hired under the SDWA authority, which allowed them to avoid being subject to typical federal hiring restrictions or the Trump administration's ethics pledge, Pro's Alex Guillén reports. Among those hires: Nancy Beck, a former expert for the American Chemistry Council who is the new deputy assistant administrator in EPA's chemical office, and Lee Forsgren, the deputy in EPA's water office, and several public affairs staffers. Beck, for one, has made a number of controversial changes relating to implementation of the Toxic Substances Control Act. The agency's senior ethics counsel told POLITICO last summer that she did not need an ethics recusal to do so, even though she had been heavily involved with the issue in her previous job.

The IG audit began in January, and while the scope of today's report remains unclear, it could include urgent information the IG thinks Pruitt needs to know about before the audit is completely finished. Whether the IG has expanded that existing probe to include Pruitt's recent controversy is also unclear.

IT'S MONDAY! I'm your host Kelsey Tamborrino, and Renewable Fuels Association's Rachel Gantz was quickest to name the Dodges as the first and only father and son to serve in the Senate at the same time. Henry Dodge of Wisconsin was in the Senate from 1848 to 1857, while his son Augustus Dodge of Iowa served from 1848 to 1855. For today: Who was the first president born west of the Mississippi River? Send your tips, energy gossip and comments to ktamborrino@politico.com, or follow us on Twitter [@kelseytam](https://twitter.com/kelseytam), [@Morning_Energy](https://twitter.com/Morning_Energy) and [@POLITICOPro](https://twitter.com/POLITICOPro).

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GOWDY TO PRUITT: BECOME A MONK? Two days after expanding his probe into Pruitt's travel and security costs, House Oversight Committee Trey Gowdy offered the EPA administrator some advice in a "Fox News Sunday" appearance. "The notion that I've got to fly first class because I don't want people to be mean to me, you need to go into another line of work if you don't want people to be mean to you," the South Carolina Republican said. "Like maybe a monk, where you don't come in contact with anyone." Gowdy said Pruitt's fate rested with President Donald Trump - "I don't know how much trouble he's in" - but defended his expanding probe into the embattled EPA chief.

Gowdy sent Pruitt a letter Friday, demanding additional documents and interviews with several of his top aides. He asked Pruitt to provide documentation related to his round-the-clock security protection, contracts to sweep Pruitt's office for electronic surveillance, his trips to Italy and Morocco, the hiring of an Italian security firm, and travel by Pasquale "Nino" Perrotta. The oversight committee chairman also demanded interviews with five of Pruitt's aides: chief of staff Ryan Jackson; Perrotta, the head of Pruitt's security detail; Kevin Chmielewski, a former Trump campaign aide who was Pruitt's deputy chief of staff; senior legal counsel Sarah Greenwalt and scheduling director Millan Hupp, both of whom received significant raises under the SWDA. Gowdy's letter arrived one day after his staff met for several hours with Chmielewski, who is being treated as a whistle blower.

YOU DON'T GOT A FRIEND IN ME: Patrick Sullivan, the assistant IG in charge of investigations at EPA, is disputing a New York Times report that says he is friends with the head of Pruitt's protective detail, according to a spokeswoman for the internal watchdog. The Times report became the basis Friday of a request from the watchdog group Citizens for Responsibility and Ethics for an investigation from a council of federal inspectors general. But Sullivan disputed claims that he had drinks with Perrotta, "anywhere or at any time," IG spokeswoman Tia Elbaum said in an email Friday. A Times spokesperson said the paper stands by its story. Alex has more here.

NEW GOP-BACKED ADS TARGET BLANKENSHIP: "Mountain Families PAC," a newly formed super PAC, is spending \$700,000 on ads accusing Republican Senate hopeful Don Blankenship's company of contaminating drinking water with "toxic coal slurry." It's a move the national Republican party isn't formally promoting its role in, but has its fingerprints all over, POLITICO's Alex Isenstadt reports. The commercials were overseen by several firms that in the past have worked closely with Senate Leadership Fund, a super PAC aligned with Majority Leader Mitch McConnell. Read more.

Fact check: Separately, Blankenship's campaign launched a "fact-checking" website in West Virginia, the Associated Press reported Friday. The website www.factcheckwv.com includes just a small box at the bottom of the page that says "Paid for by Don Blankenship for U.S. Senate." The campaign "didn't want to bias it with who paid for it," Blankenship campaign spokesman Greg Thomas told the AP. "We just want people to know the truth." Read more.

LINE 5 SHUTS DOWN TEMPORARILY: Enbridge has suspended Michigan's Line 5 pipeline operations due to ongoing severe weather in the state, the Muskegon News reports. The decision is sure to complicate an investigation into damage done to high-voltage power cables and the troubled pipeline that crosses the Straits of Mackinac, the news outlet writes. Enbridge spokesperson Ryan Duffy said Line 5 was affected by a power outage, and noted the shutdown is a precautionary measure. Over the weekend, much of the U.S. was hit with severe storms, NPR reports. The National Weather Service had said that a blizzard near the Great Lakes were "shaping up to be a historic storm," while winter storm warnings and winter weather advisories were issued for areas that cover northern Kansas, parts of Nebraska, southeastern South Dakota, southern Minnesota, Wisconsin and Michigan.

THAT NEW OFFICE SMELL: EPA staff are expecting to move back into some offices the agency uses in the neighboring Ronald Reagan building today, a couple of weeks after serious flooding from a burst water pipe closed three floors. The local union, NTEU Chapter 280, says that after new carpet, new ceiling tiles, new wall paint and a thorough cleaning of cubicle walls and desks, EPA employees are safe to return to their workspace. The union did flag some "off-gassing," a chemical smell emitted from either the new carpet or the glue holding it to the floor. The union has asked for more fresh air to be pumped in until the smell dissipates.

FEMA DOCUMENT SHOWS FLAWED PLAN FOR PUERTO RICO: The federal government significantly underestimated what damage Hurricane Maria would bring and relied too heavily on local officials and private-sector entities to handle the recovery efforts for Puerto Rico, a POLITICO review of FEMA's disaster plan found. The plan was developed by a FEMA contractor in 2014, POLITICO's Danny Vinik reports,

and prepared for a Category 4 hurricane. It projected that the island would shift from response to recovery mode after roughly 30 days. More significantly, a half-dozen disaster-recovery experts who reviewed the document told Danny that FEMA did not anticipate having to take on a lead role in the aftermath of the disaster. Instead, the document largely relied on local entities to restore the island's power and telecommunications systems. Read [more](#).

EPA'S KELLY ADDRESSES BANKING BAN: Albert Kelly, Pruitt's senior adviser on Superfund issues - who joined the agency after agreeing to be banned from working in the banking industry - recently spoke to The Montana Standard and addressed the Federal Deposit Insurance Corp. controversy for the first time. Kelly's bank, SpiritBank of Tulsa, made several loans to Pruitt, which he addressed. "There are no questionable loans by my bank to the administrator. If you go back and look at any loans to the administrator, without going into his privacy, they were very solid," Kelly said. "They were done in a very positive way and were paid off."

His problem with the FDIC, he said, involved a particular transaction in 2010. "They didn't like it," Kelly said, dodging on the root cause of [his ban](#). "The bank didn't lose any money. The bank made money. There was nothing untoward about it." The former banker also told the Standard Pruitt is still planning on visiting Butte, Mont. in August. More [here](#).

SEE IT: Marchers hit D.C. and other cities around the country for a second year to protest the Trump administration and politicians who thwart efforts to address climate change, as part of the March for Science. See POLITICO's photo gallery [here](#).

FOIA WHAT IT'S WORTH: The Center for Public Integrity says it has [filed a lawsuit](#) Friday against EPA, seeking public records after the agency failed to respond in a timely fashion to 25 Freedom of Information Act requests filed in 2017 and early 2018. The complaint says EPA's online system "does not list realistic estimated dates of completion for FOIA requests it receives and does not update estimated dates of completion after the listed dates have passed." The Center says EPA did not respond to requests for an updated schedule.

QUICK HITS

- California voters are getting to know the state's attorney general through his aggressive stance challenging Trump, [Los Angeles Times](#).
- Inhofe's EPA legacy grows with Wheeler's confirmation, [Tulsa World](#).
- EPA union chief studies theology and prays for happier days, [E&E News](#).
- Democrats promote second annual March for Science: Vote climate change deniers out, [The Hill](#).
- The shipping industry is finally going to cut its climate change emissions. That's a big deal, [The Washington Post](#).

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